

"THE ROCK ISLAND PARTY," A ROMANCE IN THE WORLD OF FINANCE

Four Westerners Who Have Welded Many Small Properties Into the Greatest Railroad System on the Continent and Made Millions of Dollars for Themselves and Their Friends.

3,800 MILES OF RAILS LENGTHENED TO 18,000

Theory of Combination Successfully Carried Out in Various Branches of Trade Finds a Fitting Climax in the Seaboard Air Line Deal—Characteristics of the Men Who Engineered the Transaction.

By the almost magical growth of the Rock Island Railroad system, with its eighteen thousand miles of rails, recently brought into public notice by the acquisition of the Seaboard Air Line, there has come into prominence what is known in Wall street as the Rock Island party. This Rock Island party is really a quartet of Westerners whose practice of bobbing up in unexpected places and ability to do extraordinary things have brought them into prominence in every money centre of the world.

These four men of action are W. H. Moore and J. H. Moore, of Chicago and New York, and W. B. Leeds and D. G. Reid, of Richmond, Ind., and New York.

The story of their achievements is a veritable romance. The first two were lawyers, the third was a railroad division superintendent and the fourth a country banker. Their combined wealth to-day is estimated at \$100,000,000.

Seven years ago the Moore brothers were \$4,000,000 in debt and the wealth of the other two could be counted by a few thousands.

It was never intended that these men should operate separately. They fit together to a nicety, like the parts of a locomotive forming a powerful perfect money making machine.

MOORE BROTHERS, GENI OF THE MONEY WORLD, WHO CONQUERED ADVERSITY IN RECORD TIME

Seven Years Ago These Railroad Wizards Were Four Million Dollars in Debt, and Now They Are Worth Forty Millions, and for Amusement Win Blue Ribbons at the Horse Show.

LIKE twin oaks of the forest the Moore brothers, William H. and James H. Moore, have grown from striplings to greatness side by side. They are not twins, but only a few years separate their birthdays. They even look alike, and think alike. They even loved alike, for they married sisters, and their private and social lives are almost counterparts one of the other. Their business careers impinge upon each other at a thousand points.

Each is shrewd, daring and a stranger to despair. Financial blows that would have crushed others utterly hardly stunned them.

Four million dollars in debt one year and three millions "to the good" the next—that is the marvel of the financial world. That is the feat of these two brothers. Diamond Match spelled misfortune for them. National Biscuit, on the other hand, left them wealthy again. From that day they have been climbing higher and higher in the world of wealth.

It all reads like a fairy tale—this rise and fall of fortune, the collapse of Diamond Match in 1895 was quite the most sensational incident in the picturesque lives of these men. The Moores had prospered. They held a big share of the stock, and by judicious manipulation had sent it up to 22. There was not a rock in sight, the winds were kind and sailing seemed the simplest task for years to come. Then something happened which was as dramatic as it was unexpected.

Out of the East had come the twin Napoleons, upon the horizon a new man of destiny—William J. Bryan. Chicago was the base of operations of the Moore Brothers. Chicago, too, was the political center, whence the "Bryan" and "McKinley" campaign, proclaimed the doctrine of free silver. One speech—one phrase it may be—gave to him the nomination for the Presidency. On the fact of American citizenship made him his hero and put a lid where he had said the capitalist was putting a crown of thorns. Men of the West said to him, "You are our Chief Executive; that he would overthrow the gold standard and promulgate a new financial system."

The Disaster That Made Them. So long and loud was this faith proclaimed that Wall street, Bond street and La Salle street became alarmed. The Presidential campaign came on and brought with it partial business paralysis. Industrial enterprises seemed endangered. Banks would lend no more money for the acquisition of new projects or the sustaining of old ones. It was the old story over again. Stocks began to tumble and disaster ensued.

Of all the financial distress of that year that of Diamond Match was keenest. Chicago will remember for decades to come the crash of Monday, August 3, 1896. It was the day of failure for the Moores. They had exhausted their ingenuity and put to the test every resource to bolster up Diamond Match stock. In an excess of caution the banks would not loan the necessary funds to brace the securities. To cap the climax a meeting of prominent financiers and business men at Chicago was held, and it was decided to close the Chicago Stock Exchange. Diamond Match opened that Monday at 22 and in twenty-four hours it had dropped to 13. A further tumble brought it down to 10. The Moores suddenly found themselves in debt in the sum of \$4,000,000, with not a cent with which to pay their obligations.

It was at this stage they showed of what stuff they were made. The crash had left their nerve as their only capital. Their enemies, even many of their friends, thought this had been so shattered that they would be for all time hopelessly out of the race as financial leaders. The Moores within a year had justified these prophets, and here is another wonderful chapter in the story.

They Rise Like the Phoenix. This chapter began almost as mildly as the old fashioned sentimental novel. On the day following the crash in Diamond Match the Moores set in their office in Monroe street, their faces cheery as the sunlight outside. If they had lost a wink of sleep there was nothing to betray the secret to their friends. Cool as if they were still the possessors of a great fortune, they began to plan to win back their lost fortunes. They thought of New York Biscuit, of which W. H. Moore was one of the executive heads and in which the brothers had held a great block of stock. Because of their prominent connection with the company, New York Biscuit securities had tumbled in sympathy with Diamond Match, and to the ordinary student of fortune building this enterprise now seemed a poor basis to choose for recuperation. But the Moores were long sighted, and time proved that they had not reckoned wrongly.

For its principal rival the New York Biscuit Company had the American Biscuit Company. The financiers of the latter thought it a good time to strike a blow at its competitor, weakened as it was by the recent crash. But with such men as P. D. Armour and George M. Sullivan behind it, the New York Biscuit Company retained more vitality and fighting power than had been looked for. A war between the two concerns began. It waxed in bitterness and threatened to be long drawn out. Then came the unexpected disaster in Diamond Match, and the financial situation suggested combination as a way out. Their plan prevailed, and the combination was accomplished.



THE MEN WHO MADE THE GREATEST RAILROAD SYSTEM IN AMERICA.

financiers that whatever the Moores undertake has business merit in it.

It is not to hoard money and leave it to their relatives that the Moores go on reaching out for new conquests. No man East or West knows better how to spend money than they. They mix pleasure in large doses with their business. Both are especially fond of fine horses; not of thoroughbreds or fast trotters and pacers, but the kind that step high and perform at horse shows. James H. Moore always has been the leading factor in the annual Chicago horse shows, and recently in New York, and his exhibits usually carry off more ribbons than those of any other single exhibitor.

At Washington Park Derbies the Moores may always be counted on. If they are in Chicago, to be present with a fine equipage and a gayly dressed party of guests. James H. Moore is the owner of one of the finest summer homes at exclusive Lake Geneva. There he entertains lavishly, plays golf and drives along the beautiful country roads in outfits that dazzle with their splendor the eyes of the rural folk thereabouts.

Both brothers are active club men, belonging to leading social organizations in New York and Chicago. They are liberal patrons of the theatre and grand opera and contribute freely to anything in which the public is interested, whether for entertainment or profit.

Judge Moore formerly lived in Chicago, but a few years ago he moved to New York because his business interests could better be carried on from there. He is a frequent visitor to the city, where he laid the foundation for his great wealth. Estimates of the fortunes of these two men vary widely, but it is a conservative guess to say that each commands at least \$5,000,000. Whether they will emulate the example of Mr. Carnegie and distribute part of their wealth while they can observe the good it does their fellow men remains to be seen. They have made a good start by giving a public library to their native town in New York.

Mr. Carnegie's example has been followed by the Moores. They have made a good start by giving a public library to their native town in New York.

REMARKABLE GROWTH OF THE ROCK ISLAND RAILROAD SYSTEM

In a Little More Than Two Years It Has Grown from 3,800 to 18,000 Miles.



MAP OF THE SYSTEM, WITH ITS NEW EXTENSIONS.

The judgment of the Rock Island party in approaching them at this time was based on the success with which the matter was arranged. The Choctaw was a line running due east and west through a comparatively new country, about twelve hundred miles in length. The financing of the plan was arranged through the banking house of Speyer & Co., of this city. Criticism was made at the time of the method adopted in issuing bonds for the property, which had not been known to be a good dividend payer, but the syndicate which offered the bonds found a fairly good market for them.

While these purchases were being made the new management had laid plans to build 800 miles of new lines through Texas to El Paso, which is now the Western terminus of their property. They are known as the Chicago, Rock Island and Texas branches. It was at this time that reports were heard that the new management had decided to bring out a financial reorganization of their property involving a completely new set of securities. The stock began to boom, and soon it sold at about 200 a share.

EIGHTH HUSBAND TO DIVORCE

Mrs. Mary J. Crowther Entitled to \$25 a Week, Despite the Protests of Mr. Crowther.

FOUR DEATHS HER SHARE

Three Divorces Included in Her Matrimonial Trouble, Which Has Not Yet Come to an End.

MRS. MARY J. CROWTHER is now entitled to receive \$25 a week alimony from the eighth man to whom she swore allegiance on the marriage altar, Thomas Crowther. His protest that this is overmuch for him to pay her, and he has served a notice on her counsel, Howe & Hummel, directing them to show cause this week why the default obtained against him should not be opened and why he should not be permitted to oppose her suit for divorce.

Comely Mrs. Crowther has had bad luck in her matrimonial entanglements. Four good husbands, all of them left her divorced, and now she seeks relief from No. 8, naming as correspondent her own sister, Mrs. Lucy Gould.

It is a remarkable case, said Mr. Hummel yesterday. The chief witness in Mrs. Crowther's behalf will be her mother, who will swear positively that her daughter Mrs. Gould is guilty.

Mr. and Mrs. Crowther were married on June 12, 1894, at their trouble began in short order. Mrs. Crowther had invited her mother and sister to visit her last February. Mr. Crowther then showed a decided preference for Mrs. Gould, according to his wife, the same day he subsequently retained Mr. Hummel and brought suit. Mr. Crowther interposed no answer and he now says he was ill at the time.

Through James F. Higgins, he now seeks not only to defend the action she has brought, but to ask for a divorce on his own account, alleging misconduct on the part of his wife with Samuel Frank.

In an affidavit Mr. Crowther alleges that the alimony granted by the court is excessive. He says his only real estate is the property No. 636 West Thirty-fifth street, which he bought thirteen years ago for \$12,500, and which he has since sold for \$18,000. He does business in this house and his sales have dropped to such an extent that he is virtually continuing at a loss.

He denies the many allegations of ill treatment made by Mrs. Crowther, declaring that she repeatedly left his home without reason and then returned with apologies. She made a practice of telling all she could whisper about him. Her first departure was shortly after their marriage, in July, 1901, when she took \$100 in cash. She returned a few days, and when she next departed she carried away jewelry which he redeemed for \$160. She has since come home, starting off in December, 1901, with \$300 in cash. She then started suit for a legal separation, afterward expressing deep regret that she could have put him to the expense of paying counsel fees.

He denies that her final leaving was on account of his conduct with his sister. After she left, he says, she wrote a letter to their servant, Emma Knapp, declaring that she had had a falling out with him and would give her husband grounds for a divorce.

Mr. Crowther says he received a message on April 15 last that his wife was very ill. The house of a Mr. Godfrey, the brother of one of her former husbands, and that she wished to see him at once. He started for the house mentioned, and found her in bed, apparently with two policemen and a truck at the thirty-fifth street place and took various articles, which she claimed to own or which were hers.

"The attempt to slur my client is unjustified," was Mr. Hummel's comment. "She has proof positive of her husband's guilt, and she is entitled to a divorce. She is abused and that she suffered more than any woman is called upon to do before her husband's death."

horses shows the Moores were among the largest winners. Friends of the party have estimated that when their Steel holdings were closed out after the formation of the United States Steel Corporation and converted into cash the four men controlled \$10,000,000 in cash. This was accumulated through the tariff laws and the piling up of salable securities.

Of the individual wealth of each of the four prominent leaders in the Rock Island party the Moores, as already stated, have probably accumulated between \$5,000,000 and \$4,000,000. D. G. Reid and W. B. Leeds are estimated to be worth \$20,000,000 each, while Wm. H. Moore and J. H. Moore, as he is known, are each worth \$10,000,000. Graham, George G. MacMurtry, F. S. Wheeler and other members of the party contribute the rest of the \$100,000,000.

COUNTRY BANKER IS A FINANCIAL POWER

D. G. Reid Has All the Astuteness That Belongs to a Man of Great Affairs.

Of the quartet W. B. Leeds is the experienced railroad man. D. G. Reid is the banker and man of affairs, and W. H. Moore the diplomat and promoter, while the latter's brother, J. H. Moore, "Jim," as he is known, is the financial genius, his brother as counselor. The heavy work of managing the vast affairs of the structure falls upon D. G. Reid, who is chairman of the Rock Island company.

The work of financing, as a banker expresses the negotiations upon which the success or failure of a plan depends, usually falls upon Leeds and Reid.

As traders, in the parlance of Wall street, the Indiana boys established themselves with a record when the Steel Trust was formed by J. P. Morgan. They drove a hard bargain, left Mr. Morgan with an ultimatum and retired. He accepted their terms and the Moore party, popularly termed, left the steel and iron business.

A story is told of how, in their early days, a pool was formed in American Steel Hoop Company, which sought to advance the price of the common stock to 50 from about 30. The members of the pool were friends of the Rock Island party, and the stock gradually began to climb to the point at which it was thought the stock should sell. In doing this, however, the manager of the pool made mistakes which left the pool in a weak position. The services of Reid were called upon and he came to New York from Chicago to take up the work of extricating his friends from the tangle in which they had placed themselves.

He diagnosed the situation and immediately took drastic measures. The stock had become too heavy from prolonged buying. That day 25,000 shares of stock were sold for the account of the pool. The price broke eight points and then began to recover. According to the stories told the pool, which faced a big loss, finally worked itself out with no loss at all. Before entering the steel business Mr. Reid was president of a bank in Richmond, Ind., and his knowledge of financial affairs and stock market matters now stands him in good stead. He was recently elected director of the First National Bank, of which George F. Baker is president.